

CHAPTER 13

SECTION 11.7

WAIVER OF COST-SHARING AND DEDUCTIBLE

Issue Date: September 20, 1991

Authority: Public Law 102-28, Section 8085

I. ISSUE

Under what circumstances can a civilian health care provider voluntarily waive the cost-share and/or deductible of services provided to family members of active duty personnel?

II. BACKGROUND

A. The [32 CFR 199.4\(f\)](#), sets forth the financial liability of the beneficiary for a cost-share and deductible. This regulatory requirement is derived from the statutory requirements of Chapter 55, Title 10, United States Code, Section 1079 and 1086. Under these provisions, reasonable efforts are to be made by the provider to collect the cost-share.

B. With advent of Operation Desert Storm, a number of health care providers around the country have expressed a desire to waive cost-shares and deductibles for military family members as a gesture of support for soldiers serving in the Persian Gulf. Because of the extraordinary circumstances which prompted these providers to make this offer, legislation was passed (Operation Desert Shield/ Desert Storm Supplemental Appropriations Act of 1991, Public Law 102-28, April 10, 1991) allowing medical providers to voluntarily waive the patient cost-share and/or deductible for medical services provided family members of active duty personnel from August 2, 1990, until the date the "Persian Gulf conflict" ends as prescribed by Presidential proclamation or by law.

III. DEFINITIONS

A. Operation Desert Storm - Operations of the United States Armed Forces conducted as a consequence of the invasion of Kuwait by Iraq (including operations known as Operation Desert Shield and Operation Desert Storm).

B. Persian Gulf Conflict - The period beginning on August 3, 1990, and ending thereafter on the date prescribed by Presidential proclamation or by law.

IV. POLICY

A civilian health care provider may voluntarily waive, in whole or in part, the cost-share and/or deductible of active duty family members if the provider certifies in writing that the amount charged the Federal Government for such health care was not increased

above the amount that the health care provider would have charged the Federal Government for such health care had the payment not been waived.

V. POLICY CONSIDERATIONS

A. The legislation only provides a temporary exemption to the cost-sharing provisions. Once the President officially proclaims an end to the "Persian Gulf conflict", the cost-sharing provision will be reinstated.

B. The legislation will not require modification of the existing claims processing guidelines. The contractors will process the claims normally, reflecting the appropriate deductible, cost-share, and catastrophic cap on the claims history, payment records, Explanation of Benefits, etc. The waiver of cost-sharing is between the active duty family members and the provider and does not affect the contractor's claims processing procedures, except as prescribed under the [OPM Part Two, Chapter 7, Section III.B.3](#). (Program Integrity).

C. Providers identified must submit written certification as specified in the Policy section of this issuance prior to payment.

D. The waiver of cost-sharing will be based on the dates of care/service.

E. The waiver applies to both the Basic Program and the Program for Persons with Disabilities (formerly known as Program for the Handicapped) and is applicable to both inpatient and outpatient care.

F. The waiver of cost-sharing only applies to dependents of active duty personnel. The other categories of beneficiaries are still subject to the cost-sharing and deductible requirements set forth in 10 USC 1079 and 1086.

G. Under legislation passed for Operation Joint Endeavor, the TRICARE Standard deductible has been waived for family members of certain reserve members called to active duty. However, this provision does not provide for voluntary waiver of cost-shares or the deductibles by providers allowed under Operation Desert Storm. If the family is enrolled in TRICARE Prime, the deductible for point of service is not waived for this provision. See [Chapter 13, Section 11.1](#).

VI. EFFECTIVE DATE

A. The exception to the cost-sharing requirements is effective for services rendered from August 2, 1990, until the date the "Persian Gulf conflict" ends as prescribed by Presidential proclamation or by law.

B. The exception to the deductible requirements under Operation Joint Endeavor for TRICARE Standard and Extra is effective for services rendered from December 8, 1995 until such time as Executive Order 12982 expires.

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